

of gambling information and operation of an illegal gambling business. Other funds were debited from the bank accounts of online gamblers who were using the Pokerstars.com website, and other websites, to engage in online gambling.

Some of the funds deposited in the Goldwater Bank account were transferred, directly or indirectly into seven different bank accounts held, or otherwise controlled, by ALLIED WALLET, INC., ALLIED SYSTEMS, INC., and AHMAD KHAWAJA. Other funds were credited to the bank accounts of online gamblers, often as winnings from their online gambling.

In June 2009, Magistrate Judges in the Southern District of New York, based upon sworn affidavits submitted by a Special Agent of the Federal Bureau of Investigation, found that there was probable cause to believe that the funds on deposit in the eight bank accounts controlled by ALLIED WALLET, INC., ALLIED SYSTEMS, INC., and AHMAD KHAWAJA were subject to seizure and civil forfeiture. Based upon these findings, they issued seizure warrants for all funds in these accounts. The FBI seized the funds in these accounts, including the \$11,326,248.91 that ALLIED WALLET, INC., ALLIED SYSTEMS, INC., and AHMAD KHAWAJA have agreed to forfeit.

Assistant United States Attorneys JEFFREY ALBERTS and ARLO DEVLIN-BROWN are in charge of this case.



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FOR IMMEDIATE RELEASE
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PAYMENT PROCESSORS AGREE TO FORFEIT
MORE THAN \$11 MILLION IN FUNDS TRACED
TO MONEY LAUNDERING AND ONLINE GAMBLING

PREET BHARARA, the United States Attorney for the Southern District of New York, and JANICE K. FEDARCYK, the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), announced today that two payment processors, ALLIED WALLET, INC., ALLIED SYSTEMS, INC., and their owner AHMAD KHAWAJA have agreed in a Stipulation and Order of Settlement to forfeit \$11,326,248.91 to resolve civil forfeiture claims alleged in a civil Complaint filed earlier today. The Complaint alleges that these funds are subject to forfeiture as property involved in money laundering, as property traceable to proceeds of the operation of an illegal gambling business, and as funds traceable to property used to operate an illegal gambling business. As alleged in the Complaint and the Stipulation and Order of Settlement:

Between January 2009 and May 2009, more than \$11,326,248.91 in funds traceable to Pokerstars, an online gambling company based in the Isle of Man, and other offshore online gambling companies were deposited in a bank account at Goldwater Bank held by ALLIED WALLET, INC. These funds were traceable to several sources. Some of the funds were traceable to wire transfers from outside the United States by individuals and entities who knew that (a) the funds involved represented the proceeds of the illegal transmission of gambling information and the operation of an illegal gambling business, (b) the transfers were made in order to promote the carrying on of an illegal gambling business, and (c) the transfers were designed in part to conceal or disguise the nature, location, source, ownership and control of the proceeds of the illegal transmission

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